APPENDIX D

RIMS II INPUT-OUTPUT METHODOLOGY

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RIMS II INPUT-OUTPUT METHODOLOGY

The Regional Input-Output Modeling System II (RIMS II) relies on an accounting framework called input-output (I-O) analysis, which focuses on identifying the linkages (inputs purchased and outputs sold) among the industries within an economy. For example, the impact of a new sports facility would include both its direct employment and sales, and its indirect effects through purchases from other industries (food for concessions, insurance, utilities, etc.) and the additional purchases households make with the money it pays them. RIMS II uses these linkages to trace the impacts of specific changes on detailed sectors of the economy and calculates multipliers for each industry included in the model. This provides an advantage over other models that rely on "aggregate" multipliers for the entire economy.

The U.S. Department of Commerce, Bureau of Economic Analysis (BEA), maintains a detailed I-O model of the national economy. RIMS II multipliers are based on this national model and BEA's regional economic accounts, which are used to adjust the national table to account for a region's industrial structure and trading patterns. The multipliers used in this analysis were based on the 1992 national I-O tables and the 1995 BEA regional accounts data—the most recent figures available at this time. They were developed specifically for the four-county region (Anderson, Knox, Loudon, and Roane Counties) defined as the economic region of influence for this analysis.

Each phase of the project involves a different type of activity and, therefore, a different industry multiplier. For the purposes of this analysis, the phases and the associated industries are identified below. Where there was some question about the most appropriate industrial category, the analysis used the industry with the larger multiplier in order to identify the maximum potential impacts. In no case was the difference in multipliers large enough to affect the relative size of the economic impacts or the conclusions drawn from the analysis.

Table D.1. Industrial categories used in economic analysis

Project phase	Industry
I. Licensing	73.0302 Engineering, architectural, and surveying services
II. Construction	11.0900 Other new construction
III. Operation	68.0302 Sanitary Services, steam supply, and irrigation1
IV. Decontamination and Decommissioning	12.0300 Other maintenance and repair construction

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